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March 30, 2021

**VIA ECF AND E-MAIL**

Hon. Robert D. Drain, U.S.B.J.  
United States Bankruptcy Court  
Southern District of New York  
300 Quarropas Street  
White Plains, NY 10601-4140

Re: Sears Holding Corp, et. al.  
Chapter 11 Case No.: 18-23538(RDD)  
Proposed Order Regarding Claim Objections [ECF # 9379]

Judge Drain:

This office represents creditor, iStar Jewelry LLC d/b/a Stanley Creations (“iStar”) in connection with its Proof of Claims # 6597, 6729, 6744 and 6767, which were filed in the above captioned bankruptcy. Please accept this letter in connection with the Debtors’ Twenty-Fifth Omnibus Objection to Claims [ECF # 9286], which was initially returnable before Your Honor on March 23, 2021 at 10:00 a.m., but was subsequently adjourned to April 27, 2021 at 10:00 a.m. [ECF # 9364].

On Monday, March 29, 2021 at 10:49 p.m. we received notice that the Debtors had filed a Certificate of No Objection as its Twenty-Fifth Omnibus Objection [ECF # 9379]. This Certificate of Objection took us by surprise, as we note the hearing date is four (4) weeks away. Additionally, we note that the transferee of iStar’s 503(b)(9) claim # 6729 was not served until March 12, 2021. [ECF # 9356]. Consequently, we believe the Certificate of No Objection was submitted in error, and respectfully request that the Court not enter the same as submitted by the Debtors.

iStar’s claims against the Debtors are listed are a mixture of 503(b)(9), unsecured claims and secured claims. The Debtor was provided with the supporting documents and basis for the priority nature of the claim at the time proofs of claim were filed, and these documents have been the Debtors’ possession for years. The Debtors provide no basis for the reclassification, save for their boilerplate objection to all claims, asserting that the “[t]he supporting documents provided by the Claimants are not supported by the Debtors’ books and records, or no supporting documents

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were provided for all or a portion of the Disputed Claim; the Claimant does not have a security interest in the Debtors' assets." This is simply inaccurate. iStar supplied the Debtors with hundreds of pages of records supporting the claims and the basis for iStar's security interest thereunder. Moreover, because iStar held a security interest and 503(b)(9) priority in certain goods delivered to the Debtors (by virtue of its reclamation claim), the reclassification of all claims as general unsecured claims is inappropriate, given the parties' prior agreement on the reclassification of iStar's 503(b)(9) claim in response to Debtors' Fourteenth Omnibus Objection to Ballots.

iStar intends to submit its formal objection to the Debtor's Twenty-Fifth Omnibus Objection to Claims by the close of business Thursday, April 1, 2021. On this basis, we respectfully request that the proposed Order submitted to the Court on the evening of March 29<sup>th</sup> **not** include iStar's claims, so that iStar may submit its formal response to the Debtors' blanket reclassification of claims and allow for a hearing on the Debtors' objection to proceed on April 27<sup>th</sup> at 10:00 a.m., to the extent the same cannot be mutually resolved by the parties.

I thank the Court for its courtesies regarding the foregoing.

Very truly yours,

/s/ Carl J. Soranno

Carl J. Soranno

CJS:jm

cc: Garrett A. Fail, Esq. (Via ECF & E-mail)  
Jacqueline Marcus, Esq. (Via ECF & E-mail)  
Sunny Singh (Via ECF & E-mail)